



5 November 2004

The Manager
Company Announcements
Australian Stock Exchange
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Dear Sir,

New liver test to be developed following BIF grant

Perth, Australia, Friday November 5, 2004: A non-invasive test for liver cirrhosis and fibrosis using magnetic resonance imaging (MRI) will be developed following a Biotechnology Innovation Fund (BIF) grant to Inner Vision Biometrics Pty Ltd (IVB), a subsidiary of Resonance Health Limited (ASX: RHT).

The offer of a \$212,736 grant to IVB was announced by the Federal Minister for Industry, Tourism and Resources, the Honourable Ian McFarlane. The BIF program is a merit based Australian Government competitive grants program which provides non-dilutionary funding for biotechnology projects. BIF Grant funding is matched by recipients.

Following the studies outlined in the BIF grant project, appropriate clinical testing and regulatory approval, the new test - to be called FibroScan - will address a clear clinical need for monitoring patients with progressive liver disease, including those with hepatitis B and C virus infections.

In the US alone, more than 4 million people are infected with hepatitis C – a major cause of progressive liver fibrosis.

The Chief Executive Officer of IVB, Dr James Williams said “The development of the FibroScan test will utilise the expertise and technology platform established with the company’s existing FerriScan™ product for the non-invasive measurement of liver iron concentrations. The new FibroScan test potentially opens a significantly broader market segment for the company given the extensive unmet need for non-invasive monitoring of fibrosis in patients with a range of progressive liver diseases, including hepatitis C. Following development, the company will be able to leverage the commercial network being established for FerriScan™ to launch the new FibroScan test globally.”

Yours sincerely,

Stuart Usher
Joint Company Secretary

About Resonance Health Ltd:

Resonance Health Limited controls 51% of the voting rights of Inner Vision Biometrics Pty Ltd (“IVB”) and is earning 51% of the equity of IVB via the progressive injection of further capital. IVB is the 100% owner of FerriScan™.

FerriScan™ is a novel, non-invasive liver diagnostic test with global applications. The test measures the iron content of a patient’s liver to assist clinicians in the detection and treatment of iron overload disorders such as thalassemia and hereditary haemochromatosis. It is intended that the FerriScan™ test will replace the need for liver biopsy and become a valuable adjunct to gene testing for iron overload diseases. Liver biopsy is an unpleasant, invasive procedure requiring liver tissue to be extracted from the patient by needle.

IVB aims to be a global leader in the development and commercialisations of quantitative magnetic resonance imaging techniques for the diagnosis and clinical management of disease through:

- Establishing FerriScan™, a novel non invasive test for iron overload, as the ‘gold standard’ for liver iron measurement across the world.
- Expanding the potential applications of the FerriScan™ technology into areas where it addresses unmet clinical needs (e.g. liver fibrosis, fatty liver disease).

FibroScan will be the first of the expanded uses of the technology platform and is a non-invasive test for liver cirrhosis and fibrosis for monitoring patients with progressive liver diseases including hepatitis C.

Further information concerning Resonance Health and FerriScan™ can be obtained from the following web sites: www.resonancehealth.com www.FerriScan.com

Media and Investor Relations	Company
Rebecca Christie Buchan Consulting Pty Ltd SYDNEY: T - +61 2 9293 2836 F - +61 2 9293 2828 M - 0417 382 391 rchristie@bcg.com.au	Tony Fitzgerald Director, Resonance Health Ltd T - +61 8 9389 5933 M - 0418 903 647; or Dr James Williams CEO, Inner Vision Biometrics Pty Ltd T - +61 9286 5302 M 0409 050 519 08 9286 5302 Mob: 0409 050 519 Email: jamesw@FerriScan.com